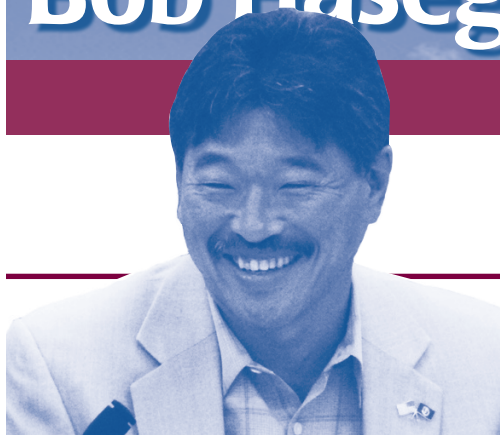


State Representative

**Bob Hasegawa** (D-Seattle)

**11th Legislative District:** Includes parts of South Seattle, Burien, SeaTac, Tukwila, Renton, and unincorporated King County around these cities



## 2010 Session Report to the 11th District

Spring 2010

Dear neighbors,

As you know, the Governor called a Special Legislative Session to wrap-up budget negotiations between the House of Representatives and the Senate. I am glad to report that it finally came to a close on April 12<sup>th</sup>.

The hard cold fact about our state's budget situation is that we have already cut, streamlined, reformed, and laid-off too deep because, in a recession, the number of people needing services increases dramatically. This is the proverbial downward spiral of economic recession. Thousands of state workers have been laid off, just a few weeks ago DSHS had to again let go hundreds of people—not because the workload allows it, but because we can't pay them. Their work will have to go undone and vital services will not be available to those who desperately need them.

Cutting these services is not the answer; the more we cut, the more we will see our entire system collapse. The result will be fewer teachers, crumbling schools, less financial aid for college, more mentally ill crowding our jails or, worse yet, crowding our streets, elderly and infirm not being cared for and living in filth or dying from lack of care, domestic violence victims, whose numbers increase during times of stress, being forced back into their unsafe situations... The list goes on and on. As a civilized society, we cannot turn our backs on people and pretend their suffering doesn't exist.

Inside this newsletter you'll find information on the actions taken last year and this year to balance the budget. I will also address the need for revenue and why it is absolutely necessary to reform our tax system.

This year we had an unusually large number of calls, emails and letters, and it was encouraging to hear from everyone. Listening to constituents is vital to our democracy, so I hope that you continue keeping in touch with me.

Sincerely,

A handwritten signature in blue ink that reads "Bob Hasegawa".

Bob



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### Standing House Committees:

- Finance, *Vice Chair*
- Audit Review and Oversight
- Capital Budget
- Higher Education
- Rules

### Joint Legislative Committees:

- Joint Administrative Rules Review Committee, *Chair*
- Legislative Committee on Economic Development & International Relations
- Joint Legislative Committee on Trade

### National Conference of State Legislatures:

- Committees on Communications; Financial Services and Interstate Commerce

Be sure to visit my website at [www.housedemocrats.wa.gov/members/hasegawa](http://www.housedemocrats.wa.gov/members/hasegawa) where you'll find information on issues that matter to our community.



### Going paperless?

Let me know via e-mail ([hasegawa.bob@leg.wa.gov](mailto:hasegawa.bob@leg.wa.gov)) so I can add you to our e-newsletter list and save on postage, paper and printing costs.

*Please join me for my* **Town Hall meeting!**

**Saturday, June 5<sup>th</sup>**

10 to 11:30 AM

**Sound Seattle Community College Georgetown Campus**

6737 Corson Avenue South

C-110 in the Gene J. Colin Education Hall

Seattle, WA 98108

# 2010 Session Report

11th Legislative District

Includes parts of South Seattle, Burien, SeaTac, Tukwila, Renton, and unincorporated King County around these cities

## Budget Shortfalls



Due to the global economic recession, 48 states across the nation faced revenue shortfalls and Washington was no exception.

Last year, during the regular 105-day session, the Legislature wrote its biennial budget based on a projected revenue shortfall

of \$9 billion. We were able to get some federal help and move money around internally, but basically we balanced the budget by making cuts to all state programs and did not raise any taxes. That's right, unlike 33 other states, Washington did not raise taxes to balance its budget in 2009.

This year's session, which is normally sixty days long, we were supposed to do adjustments to the budget written last session. But when we came to Olympia in January it was clear that we'd end up writing a whole new budget. This time we're facing an additional \$2.8 billion revenue shortfall (total \$11.8 billion shortfall for the biennium), so in order to make sure the budget remains balanced, we need to make even more cuts to last year's budget **OR** find ways to bring in more revenue.

These unprecedented shortfalls happened because our revenues continue to decline while the cost of maintaining our state services such as criminal justice, childcare and education keeps going up. Additionally, as our economy worsens, the need for support is also going up since more people need help with healthcare, unemployment assistance, and worker retraining, to name a few.

## Balancing the Budget

In 2009, to balance the \$9 billion revenue shortfall, we made \$3.9 BILLION dollars in cuts to our budget. And the cuts were

Our 2009-2011 state budget is \$1 billion smaller than our 2007-09 budget. The last time a Washington state biennial budget was smaller than its predecessor was in 1951.

made in all areas, for example, we were forced to cut the Student Achievement Program from \$458 to \$99 per student; we reduced the Basic Health Plan by 43 percent; we eliminated 50 boards and commissions; and we cut 4,000 full time positions.

## Efficient Government

With hundreds of corporate tax breaks in the books, doesn't it make sense to find out if these large corporations are really creating family wage jobs? And what's more efficient than verifying if all taxpayers are paying their fair share? That includes going after tax dodgers that set up dummy corporations in Cayman Islands to avoid taxes, for example. To close loopholes and reform our tax system, we need answers to these questions, and I've been fighting for tax fairness for regular taxpayers from the very first day I set foot in Olympia.

### A note on state workers

From the time the 2009 budget was written to today, over \$330 million in wage and health benefit cuts have already been taken by state workers. The Legislature and legislative staff led the way with dramatic cuts; the House of Representatives reduced its budget by \$6.5 million. Other cuts included representatives' constituent outreach and services budgets, which were reduced by more than half-a-million dollars, *per diem* and work-related reimbursements were also reduced. Salary freezes were implemented for all House employees; there was a five-percent reduction in permanent staff, and employees are required to take 40 hours of unpaid leave per fiscal year. Additionally, many House employees are also taking voluntary furloughs way over their required 40 hours. I want to personally thank House staff for their leadership and selfless sacrifice during these difficult economic times.

## Need for Revenue Reform



Even if all general fund state employees (including critical functions like prisons, state mental hospitals, law enforcement, teachers etc) were laid off for one year we would still not close the budget gap. When faced with these facts, it was clear to me that we had to incorporate new revenues in our budget. More importantly, it was time to focus on creating new progressive revenues. Our state relies too heavily on the sales tax, and studies consistently show Washington to have the most regressive tax system in the entire country. That means the middle class and especially the poor end up paying a higher

State Representative

# Bob Hasegawa (D-Seattle)



percentage of their income to the state than the rich — higher here than anywhere else in the nation.

We, as a state, need to have the hard conversation about what type of revenue system we want to see in the long run. Reform is much needed because the current system doesn't work for working families or small businesses. We need a system that's

**Fair:** everyone pays their fair share, including the wealthy and large corporations;

**Stable:** well-balanced and less volatile so it doesn't fluctuate as dramatically as the economy;

**Adequate:** provides enough resources to fund the programs a civilized society needs and depends on;

**Predictable:** enables long-term strategic decisions about the direction of our state and our budget.

At some point we, as a society, will hopefully come together to reject greed and self-centeredness, and to re-embrace the social values that made America so great — community, justice, fairness, integrity, respect for our common good...maybe even see paying taxes and living up to social responsibilities as an honorable right.

## High stakes



We must maintain critical support system and public infrastructure to ensure that we don't compromise the basic necessities of our citizens and our businesses. Some of the things our budget currently funds, that we risked losing without new revenue, include health care coverage for 16,000 kids; State Need Grants to over 12,000 students, and work study for 9,400 working college students; basic health for 60,000 Washingtonians; early learning for more than 1,500 three-year olds; and support so that 42,000 seniors and disabled citizens can live in their homes instead of institutions.

## The Washington State Bank

One of the primary causes of the recession was the unregulated and unscrupulous activities of major financial institutions. Even after they were given billions in bailout funds, many communities are not seeing the



effects of these bailouts at the local level; instead, they're seeing hundreds of millions in executives' salaries and bonuses. That's why I introduced a bill to create a publicly-owned bank, which would mean we'd have:

- **Full control of our tax dollars to work for our own communities, not to line out-of-state bankers' pockets;**
- **More public accountability and fiscal integrity;**
- **Greater local economic development investments and more student loans;**
- **Expanded lending to small businesses (a state-owned bank would be able to make targeted investments in state priorities, such as supporting small businesses and local projects).**

Because this is such a complex issue, we need to make sure we're doing it right; I will work on this bill during the interim and hope to have a broadly supported bill for next session.

## Ensuring Security in our Area

As you know, there's a Secure Community Transitional Facility in South Seattle that oversees sexually violent predators. I, along



with my seatmate, Rep. Zack Hudgins, went to battle on the House Floor twice to fight the terms of a bill that would have put our communities at risk by removing staffing level and training requirements.

As originally written, the bill would have allowed the facility, not the Legislature, to determine how much it spends overseeing these very dangerous predators. I will never support anything that puts our communities in jeopardy. Instead, we suggested a plan that works for the state, for our budget and also for

*Rep. Bob Hasegawa speaks on the House floor, emphasising the importance of maintaining the security of our communities.*

the communities that surround the facility.

The result of our work is a measure that will save about \$800,000 without endangering our communities. This was a great victory for our district.



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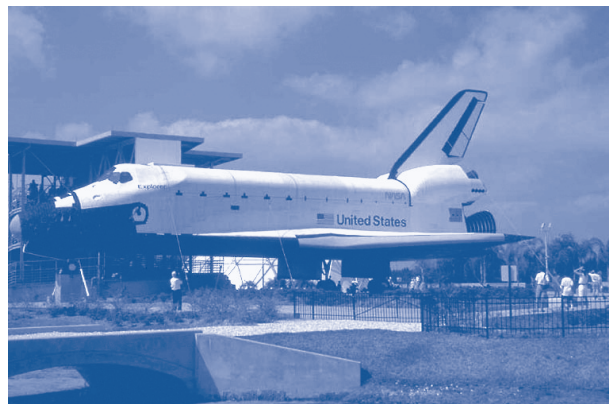


## Other key accomplishments for the 11th District

### Space Shuttle

(HJM 4027 / SJM 8025) Petition to President Obama, Congress and NASA requesting that a retired space shuttle orbiter be transferred to Washington's Museum of Flight and is a Smithsonian Affiliate.

- The Museum of Flight in Seattle is the largest nongovernmental, non-profit air and space museum in the United States;
- The Museum of Flight demonstrated its commitment to acquire a Space Shuttle and build a world class gallery for its exhibit (with \$3 million capital budget support from the state);
- 100,000 skilled aerospace workers and over 600 aerospace-related companies in the state;
- Recognizing the achievements of the 19 NASA astronauts who have direct ties to the state;
- Museum of Flight is a leader in education and will host Aviation High School (with \$2 million capital budget support from the state).



### Port Jobs Program saved

We protected the Port Jobs program ([www.portjobs.com](http://www.portjobs.com)) which, over the past decade, has provided assistance with employment training and placement to more than 14,000 South King County job seekers.



Printed on recycled paper

**2010  
Session  
Report**

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Olympia, WA 98504-0600

**Bob Hasegawa**  
State Representative

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